S.B.Civil Misc.Appeal No.269/1991
Vipin Kumar vs. United India Insurance Co.

Date of Order: 7.9.2006.

HON'BLE MR. PRAKASH TATIA, J.

Mr. G.Vaishnawa for the appellant.
Mr. R.G.Purohit for the respondent.

Heard learned counsel for the parties.

The only question involved in this appeal is whether the civil court has committed error of law in modifying the award 14.3.1990 while rejecting the objections against the award.

It appears from the impugned order of the civil court dated 4.4.1991 that the learned arbitrator awarded compensation of Rs.1,47,000/- and cost of Rs.1500/- and also awarded interest @ 18% per annum from 6.8.1989. The civil court, while making the award dated 14.3.1990 rule of the court, without giving any reason, set aside the award of interest from the impugned award and made rest of the award rule of the court. According to the learned counsel for the appellant, the appellant was entitled to interest from the date of accident and, therefore, the appeal may be allowed and the appellant may be allowed interest from the date of the accident. It is also submitted that the order of the civil court on the face of it is illegal because of the reason

that the civil court has set aside the award of interest without assigning any reason and also illegally.

The learned counsel for the respondent tried to support the order of the civil court by submitting that the award of interest in the present case, is not of contractual matter and, therefore, the civil court had discretion to allow the interest or refused the interest over the damages.

I considered the submissions of the learned counsel for the parties. So far as the award of interest from the date of accident is concerned, I do not find any justification in view of the fact that the learned arbitrator has decided to award interest from the date of the claim petition submitted by the appellant. Otherwise also the award of interest @ 18% per annum will be sufficient compensation to the claimant even for the period from the date of award. The civil court has committed serious error of law in interfering in the award, may it be in relation to only question of awarding interest when the court had no jurisdiction to interfere in the award as the respondent could not make out any case for interference by the civil court in the award. Interference of the civil court in the award is illegal. Apart from above, there is no justification for denying the interest to the appellant.

In view of the above, the appeal is allowed. The order of the civil court dated 4.4.1991 is set aside so far as denying the interest to the

appellant as per the award and it is held that the appellant shall be entitled to interest as per the award dated 14.3.1990. No order as to costs.

(PRAKASH TATIA),J.

mlt.